Perhaps nowhere did Freud demonstrate more persuasively his conception of reality than when he sought to distinguish between the neurotic and psychotic experience of it. After having introduced the structural model in 1923 in *The Ego and the Id* (1961d), Freud wrote two papers in 1924 on the nature of neurosis and psychosis from this new perspective. The first paper, simply titled, “Neurosis and Psychosis” (1961g), contained a formula for “the most important genetic difference between a neurosis and a psychosis: *neurosis is the result of a conflict between the ego and its id, whereas psychosis is the analogous outcome of a similar disturbance in the relations between the ego and the external world*” (149; emphasis in original). Freud depicts the nature of neurosis, now described in accordance with the structural model, accordingly:

Our analyses go to show that the transference neuroses originate from the ego’s refusing to accept a powerful instinctual impulse in the id . . . or from the ego’s forbidding that impulse the object at which it is aiming. In such a case the ego defends itself against the instinctual impulse by the mechanism of repression. The repressed material struggles against this fate. It creates for itself, along paths over which the ego has no power, a substitutive representation . . . the symptom. The ego . . . threatened and impaired by this intruder, continues to struggle against the symptom, just as it fended off the original instinctual impulse. All this produces the picture of a neurosis. (1961g, 149–50)

Typically, the ego obeys and even follows the commands of its super-ego—its “conscience”—which, in turn, “originates from influences in the external world” (150). In its effort to accommodate reality the ego may
feel compelled to “take sides” with it. When this happens, “the ego has come into conflict with the id in the service of the super-ego and of reality; and this is the state of affairs in every transference neurosis” (150). On the other hand, when it becomes psychotic “the ego creates, autocratically, a new external and internal world; and there can be no doubt of two facts—that this new world is constructed in accordance with the id’s wishful impulses, and that the motive for this dissociation from the external world is some very serious frustration by reality of a wish—a frustration which seems intolerable” (151).

Freud suggests, however, that despite these differences, neurosis and psychosis share the same aetiological factors. “The aetiology common to the onset of a psychoneurosis and of a psychosis always remain the same. It consists in a frustration, a non-fulfillment, of one of those childhood wishes which are forever undefeated and which are so deeply rooted in our phylogenetically determined organization. This frustration is in the last resort always an external one” (151; emphasis added). What, then, accounts for the divergence between a neurosis and a psychosis? According to Freud, whether “the ego remains true to its dependence on the external world and attempts to silence the id, or whether it lets itself be overcome by the id and thus torn away from reality” (151; emphasis added).

In other words, the ego’s relationship with reality governs, (a) the onset of a neurosis and a psychosis and, (b) whether we eventually succumb to a neurosis or a psychosis. Neurosis, generally speaking, is a result of complying with an unacceptable reality, whereas psychosis is a consequence of rebelling against reality by denying it. Because of the ego’s incessant “conflicts with its various ruling agencies,” it is always striving for a fragile “reconciliation between its various dependent relationships” (152).

Soon after the publication of “Neurosis and Psychosis,” Freud published another paper focusing specifically on “The Loss of Reality in Neurosis and Psychosis” (1961f). Now his preoccupation with reality itself comes closer to the fore. While continuing to distinguish between neurosis and psychosis, Freud emphasizes even more emphatically their similarities, specifically their respective relationships with the “real world.” Highlighting the difference, he reiterates that “neurosis is the result of a conflict between the ego and its id,” whereas psychosis is the result of an analogous conflict “between the ego and the external world.” However, he quickly adds that “every neurosis disturbs the patient’s relation to reality
in some way, that it serves him [her] as a means of withdrawing from reality, and that, in its severe forms, it actually signifies a flight from real life' (1961f, 183; emphasis added).

Freud's distinction between these two forms of psychopathology—the neurotic's compliance with reality on the one hand and the psychotic's disregard for reality on the other—appears to be compromised by the observation that the neurotic, too, is capable of "taking flight from real life." But Freud resolves this seeming contradiction by qualifying the two steps that are essential in the formation of every neurosis. Step one entails the ego's repression of its (id's) desire. This step, however, isn't specifically neurotic. Neurosis, rather, consists in step two. As a consequence of repression and its failure, the ego tries to compensate for the damage to the id that resulted from its efforts to repress it in the first place. Hence, the loosening of the ego's relationship "to reality is a consequence of this second step in the formation of a neurosis" (183).

Of course, there isn't anything new in Freud's characterization of neurosis "as the result of a repression that has failed" (183). That the return of the repressed—rather than the act of repression itself—constituted neurosis was noted in his correspondence to Fliess in 1896. Later, his increasing interest in the ego and its relationship with reality led him to look at this problem from a fresh angle. At the same time that he wrote these two papers, Freud wrote a third dealing with "The Dissolution of the Oedipus Complex" (1961b). In that study he distinguished between two types of repression in the context of the Oedipus complex.

After its [the Oedipus complex] dissolution takes place, it succumbs to repression, as we say, and is followed by the latency period. It has not yet become clear, however, what it is that brings about its destruction. Analyses seem to show that it is the experience of painful disappointment. (173; emphasis added)

Freud's use of the term repression is ambiguous. It is used to characterize a total, or "successful," repression on the one hand, as well as those acts of repression that are only partial, or unsuccessful, on the other. The expression, "dissolution of the Oedipus complex" refers to the successful type, whereas, if the complex isn't actually "dissolved," it is destined to return in the form of a neurotic symptom. Anticipating our objections to this ambiguity, Freud defends his use of this term as synonymous with the more radical dissolution of the original complex:
I see no reason for denying the name of a "repression" to the ego's turning away from the Oedipus complex. . . . But the process we have described is more than a repression. It is equivalent, if it is ideally carried out, to a destruction and an abolition of the complex. We may plausibly assume that we have here come upon the borderline—never a very sharply drawn one—between the normal and the pathological. If the ego has in fact not achieved much more than a repression of the complex, the latter persists in an unconscious state in the id and will later manifest its pathogenic effect. (177; emphasis in original)

If we assume, however, that the origin of all neuroses lies in the failure to "dissolve" our (Oedipal) demands for satisfaction, surely the resolution of future, adult neuroses rests on the same principle, which is to say, the ability to "dissolve" that demand when it arises. How, then, does Freud conceptualize the difference between merely repressing libidinal urges on the one hand, and dissolving them on the other? The preconditions for onset of neurosis are determined by (a) failure of the ego to fully repress (i.e., dissolve) the id's demands, so it displaces them instead onto symptoms, or (b) the relative strength between the id's demands and the ego's repressive forces though, according to Freud, an inordinately powerful id is consistent with the onset of psychosis. How does Freud imagine resolving these conflicting forces in terms other than the ego's success at repression itself? As we shall see, this question suggests no clear answer.

Having suggested that the neurotic, like the psychotic, is capable of losing his grip on reality, Freud examines more closely the psychotic's relationship with frustration. He gives the example of a former patient, a young woman who, at the time, was in love with her sister's husband. "Standing beside her sister's death-bed, she was horrified at having the thought: 'Now he is free and can marry me'" (1961f, 184). She became so guilt-ridden by this sudden eruption of passion that she developed an amnesia of the incident. The repression of her wish, consequently, led to a conversion hysteria. The specifically neurotic component of this resolution to her distress, according to Freud, is that "it took away from the value of the change that had occurred in reality, by repressing the instinctual demand which had emerged—that is, her love for her brother-in-law" (184). On the other hand, had she developed a psychotic response to her anguish, her "reaction would have been a disavowal of the fact of her sister's death" (184; emphasis added).

Just as two steps are necessary to generate a neurosis, two steps are also required for the development of a psychosis. Whereas repression of
the id entails the first step in a neurosis, psychosis follows a disavowal of reality. And just as the second step in a neurosis—in fact, the neurosis itself—establishes a compensation toward the damage done to the id by displacing the repressed desire onto a symptom, one would expect the second-stage movement in the psychosis to "make good" the damage done to reality. "The second step of the psychosis is indeed intended to make good the loss of reality, not, however, at the expense of a restriction of the id—as happens in neurosis at the expense of the relation to reality—but in another, more autocratic manner, by the creation of a new reality which no longer raises the same objections as the old one that has been given up" (184–85).

The apparent differences between neurosis and psychosis diminish in their respective second stages. Each is supported by the same trends. The second stage in both neurosis and psychosis is designed to aid the id in its aversion to reality. Both represent "a rebellion on the part of the id against the external world! of its unwillingness—or, if one prefers, its incapacity—to adapt itself to the exigencies of reality, to *Avayxn* [Necessity]" (185). But now the distinctions become more complicated. Having suggested that neurosis and psychosis differ more in their first reaction to reality than in the second, "reparative," response, Freud attempts to separate their respective outcomes. "In neurosis a piece of reality is avoided by a sort of flight, whereas in psychosis it is remodelled. Or we might say: in psychosis, the initial flight is succeeded by an active phase of remodelling; in neurosis, the initial obedience is succeeded by a deferred attempt at flight. Or again, expressed in yet another way: neurosis does not disavow the reality; it only ignores it; psychosis disavows it and tries to replace it" (185). The basic difference seems to revolve around what he means by *avoid* or *flight* on the one hand, and the terms *remodel* and *disavow* on the other. Obviously, the key to these distinctions should ultimately rest on what Freud means by reality, because his argument rests on the proposition that (a) the neurotic merely ignores reality and takes flight from it, whereas (b) the psychotic disavows reality and attempts to remodel it. Freud suggested that, ideally, the healthy individual combines aspects of both the neurotic and psychotic, when his behavior "disavows the reality as little as does a neurosis, but [if] it then exerts itself, as does a psychosis, to effect an alteration of that reality" (185).

What, however, is the nature of this reality that we seek to disavow while striving to alter it? Freud suggests that reality is essentially percep-
tual. In fact, the psychotics' wish to alter it is potentially healthy, if only they didn't need to "disavow" it beforehand. Their decision to reject reality in the first place leads them to alter their perceptions of what is real by way of hallucinations, so they become "faced with the task of procuring for [themselves] perceptions of a kind which shall correspond to the new reality" (186). Freud suggested earlier (see chapter 2) that our original and most startling experience of reality is a perceptual one, the so-called perception of the absence of a penis in girls. In "The Infantile Genital Organization" (1961e), Freud said, "We know how children react to their first impressions of the absence of a penis. They disavow the fact and believe that they do see a penis, all the same. They gloss over the contradiction between observation and preconception by telling themselves that the penis is still small and will grow bigger" (143-44). Of course, in order for a hallucination of this kind to occur, the child—or, as the case may be, the psychotic—must, as Freud confirms, believe in it. In other words, the psychotic loss of reality is the consequence of (a) denial of an intolerable reality, and (b) adopting a delusional belief in its place. The denial of reality—the first step to psychosis—doesn't in and of itself occasion psychotic symptoms. Step two—the subsequent delusion that attempts to "repair" the impact of step one—is actually the psychotic symptom, comprising a phantasy that, according to Freud, is inherently distressing, even persecutory. The delusion, then, is the key to psychosis. What is its ostensible purpose? Freud says that, "In regard to the genesis of delusions, a fair number of analyses have taught us that the delusion is found applied like a patch over the place where originally a rent had appeared in the ego's relation to the external world" (1961g, 151).

The denial of reality—such as the hypothetical disavowal of her sister's death, in the example Freud used—creates a "rent," a hole, in the situation that the person is in. This hole, however, becomes intolerable. Although the neurotic is able to survive "gaps" in his memory, a world can't so easily be maintained if the holes we inflict in it remain empty. They need to be replaced with something. But what? According to Freud, with a delusion, a "false belief" that becomes fixed—like a brick in a wall—in the place it becomes inserted, to insure that the "banished" reality stays banished. This is the step—the crucial step, it turns out—that Freud neglected to elaborate in his analogy of the woman whose sister was dying. Had she, as Freud speculated, disavowed her sister's
death as a way of avoiding a morally compromising attraction to her brother-in-law, she would have needed to follow this step with another in order to effect a psychosis, in order to insure that her denial would be safe from the encroachments of reality. For example, she might have adopted the delusion that her brother-in-law, the man whom she secretly loved, was conspiring to murder her sister. This type of delusion is consistent with the persecutory phantasies we frequently encounter in paranoia. In fact, Freud believed that the object of paranoid phantasies is the original object of one's love. In his famous book on Judge Schreber, Freud's only case study of psychosis, written in 1911, he said:

It appears that the person to whom the delusion ascribes so much power and influence, in whose hands all the threads of the conspiracy converge, is, if he [she] is definitely named, either identical with someone who played an equally important part in the patient's emotional life before his illness, or is easily recognizable as a substitute for him. (1958f, 41)

This is why denial of reality, in and of itself, doesn't comprise a psychosis. After all, denial isn't an infrequent occurrence in neurosis. But if denial isn't "supported" by a delusional accomplice, its survival is fragile. It remains open to refutation, in life as well as in treatment. In order to enter the domain of the truly "psychotic," the piece of denied reality has to be "patched" with a delusion. But why is this delusion frequently — indeed, always — distressing? Freud proposed that

this fact is without doubt a sign that the whole process of remodelling is carried through against forces which oppose it violently. . . . On the model of a neurosis . . . we see that a reaction of anxiety sets in whenever the repressed instinct makes a thrust forward, and that the outcome of the conflict is only a compromise and does not provide complete satisfaction. Probably in a psychosis the rejected piece of reality constantly forces itself upon the mind, just as the repressed instinct does in a neurosis. (1961g, 186)

In other words, the neurotic and psychotic share similar aims and employ similar methods. Neurotics seek to protect their relationship with reality — epitomized by the object of their desire — by repressing their desire for that object. Psychotics, however, seek to protect their desire by remodelling the reality — either the object of desire or whoever assumes its place — which frustrates them. Either method — the neurotics' or the psychotics' — keeps the conflict alive because, in fact, neither neurotics nor psychotics are prepared to "dissolve" their desire when they meet
insurmountable frustration, by allowing themselves, according to Freud, to experience it. The (neurotics') “repressed” desire returns in the form of a symptom because it's never been wholeheartedly abandoned. Likewise, the psychotics' “disavowed” reality persists in spite of having been remodelled, because the original object of desire—now rendered unconscious—wasn't abandoned either. This “new” reality, in the form of a delusional phantasy, effectively replaces the original (internal) conflict with one that is “outside” of themselves, against which they are now embroiled. They become convinced, and need to feel convinced, that they're being persecuted by someone to whom they're attached.

This is best epitomized by delusional jealousy. The object of desire is protected from the aggression that jealousy always occasions by displacing it (the aggression) onto an intruder. Freud recognized that beneath this aggression was an attraction—but the object of that attraction has been repressed. Though the line between neurotic and psychotic jealousy is ambiguous, it can be understood in terms of the degree to which delusional jealousy is directed at someone who torments them, whether they are neurotic or psychotic. Whereas neurotics feel persecuted by their desire, psychotics feel persecuted by the object of their desire. In their experience, their relationship with that object is essentially tormenting. Recall how Freud accounted for our capacity to successfully “dissolve” the Oedipal complex, how “analyses seem to show that it is the experience of painful disappointment” (1961c, 173). In other words, our unwillingness to submit to the experience of disappointment arouses pathological defenses against it, whether these defenses are neurotic or psychotic. The acceptance of that disappointment—through one's experience of it—enables us to accept the reality that we're confronted with. While neurotics suppress a bit of “themselves” in their avoidance of disappointment, psychotics seek to disavow reality itself, “altering” it in elegant, though inevitably tormenting, symmetry.

As we saw in chapter 2, the tendency to disavow reality is supposed to begin with every child's discovery that girls lack a penis or, alternately, that boys possess one. Children initially gloss over the apparent contradiction between their observation of the “missing penis” (in the case of the girl, the presence of a penis in boys) and the expectation—based on his preconception—of seeing one. The boy disavows the stark absence of the girl's penis and “hallucinates” one instead. Yet, what is the reality in question? Is it the mere perception of the missing penis, which the child,
horrified, disavows; or the child's conception of what is lacking, fueled by his anticipatory imagination? Laplanche and Pontalis suggest:

If the disavowal of castration is the prototype—and perhaps even the origin—of the other kinds of disavowal of reality, we are forced to ask what Freud understands by the “reality” of castration or by the perception of this reality. If it is the woman's “lack of a penis” that is disavowed, then it becomes difficult to talk in terms of perception of a reality, for an absence is not perceived as such, and it only becomes real in so far as it is related to a conceivable presence. If, on the other hand, it is castration itself which is repudiated, then the object of disavowal would not be a perception . . . but rather a theory designed to account for the facts. (1973, 120; emphasis added)

If psychotics can't accept reality but choose, instead, to disavow and then remodel it with delusion and hallucination, what purpose does this “renovation” specifically serve? Wouldn't they seek to obtain happiness because the reality they disavow is inherently frustrating? When psychotics resort to delusions and hallucinations to fend off—in fact, to change their idea and perception of—reality, to rearrange and remodel it, they do so, not to find alternate ways to achieve their desires but in order to protect themselves from them. But that isn't enough. They have to dismantle the interhuman world that serves as the foundation, the scaffolding, of their existence. This is why, in the final analysis, reality isn't the mere “concreteness” of a world that is perceived or ignored. It is the community of relationships where we reside and take part, where we take chances, commit errors, suffer failures, and enjoy success. Reality is our abode. It isn't “inside” or “outside”—it's where we live, suffer, and survive.

Freud's essential insight into the nature of psychosis is epitomized by the significance he attributed to delusions and what they, in turn, tell us about our experience of reality. He realized that ostensibly crazy beliefs—just like other forms of phantasy—conceal a meaning that, when properly understood, makes our suffering intelligible, once we recognize how delusions—no matter how bizarre—convey a purpose. They tell us something about the people who experience them. The trend in psychoanalysis, however, increasingly conceives of psychosis as a “process”—impersonal to be sure. This process is governed less by drives and intentions—with meaning—than it is by “mechanisms” and “defense.” Whereas Freud was the first to employ denial as an essential feature of
psychosis, he emphasized the inherent intelligence at the heart of delusion. Because of this intelligence we are able to know these people in their psychosis. They are not that different from ourselves, because they are a reflection of ourselves. They are us, and we, them.

Delusions, like phantasies in general, are a door to the unconscious. They are crucial elements of a dialogue that psychotics are having with themselves. Delusions, like all linguistic expressions, are actually acts of revelation. They contain a truth that, if discovered, can explain the nature of the reality that has become so unbearable to the person who avoids it. On the other hand, psychotics aren’t the only ones who suffer delusions! Freud’s most famous obsessional patient, the Rat Man, suffered them, too (see Part Five). Perhaps it is reasonable to say that there is a bit of the psychotic in all of us, that the gap said to separate “us” from “them” isn’t as wide as it seems.